

DISTRICT COURT
TWIN FALLS CO, IDAHO
FILED

'01 MAY 7 PM 12 16

ALAN G. LANCE
ATTORNEY GENERAL

BY _____
CLERK

DEPUTY

MICHAEL LARSEN
Deputy Attorney General
State of Idaho
Department of Finance
P.O. Box 83720
Boise, ID 83720-0031
Telephone: (208) 332-8091
Facsimile: (208) 332-8099
Idaho State Bar #3436

IN THE DISTRICT COURT OF THE FIFTH JUDICIAL DISTRICT

OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF TWIN FALLS

STATE OF IDAHO, Department
of Finance,

Plaintiff,

vs.

PREMIER MARKETING & INVESTMENTS
INC., a California corporation, NICHOLAS
RICHMOND, an individual, MICHAEL
DERRO, an individual, BONNIE CAPPS,
an individual, STEVEN W. KEYES
an individual,

Defendants.

Civil No. *CV-01-1639*

VERIFIED COMPLAINT

Fee Category: Exempt

COMES NOW the State of Idaho, Department of Finance, Securities Bureau, Gavin M. Gee, Director, by and through its counsel, Michael Larsen, Deputy Attorney General, and upon information and belief complains and alleges as follows:

1.

This action is brought pursuant to the Idaho Securities Act, Title 30, Chapter 14, Idaho Code (the Act), and in particular Idaho Code § 30-1442, wherein the Director is authorized to bring actions seeking injunctive and other relief against Defendants who have either violated or are about to violate provisions of the Idaho Securities Act or any rule promulgated thereunder.

2.

The acts and practices alleged herein comprising violations of law by the above-named Defendants occurred in the conduct of trade and commerce in Twin Falls County, and elsewhere in the state of Idaho.

DEFENDANTS

3.

Defendant Premier Marketing & Investments, Inc. (PMI) is a California corporation whose last known address is 3580 Wilshire Blvd., Suite 1790, Los Angeles, CA 90010.

4.

Defendant Nicholas Richmond (Richmond) is an individual whose last known business address is 3580 Wilshire Blvd., Suite 1790, Los Angeles, CA 90010. At all times relevant to this complaint Richmond was a director and President of PMI.

5.

Defendant Michael Derro (Derro) is an individual whose last known address is 444 S. Kingsley Drive, Los Angeles, CA 90020. At all times relevant to this complaint, Derro was a director and Vice President of PMI.

6.

Defendant Bonnie Capps (Capps) is an individual whose last known address is 345 4th Ave E, Twin Falls, Idaho 83301. At all times relevant to this complaint, Capps was the Vice President of Investments for PMI.

7.

Defendant Steven W. Keyes (Keyes) is an individual whose last known address is 343 Blue Lakes Blvd., Twin Falls, Idaho 83301. At all times relevant to this complaint Keyes acted as a salesman and agent of PMI while not licensed by the Idaho Department of Finance as a securities salesman.

FACTS

8.

Beginning on a date uncertain, but at least as early as December 2000, the Defendants have promoted and offered to sell unregistered securities to investors in Idaho.

9.

The securities promoted, offered, and sold by Defendants to investors in Idaho are promissory notes.

10.

In connection with the offer or sale of securities in Idaho, Defendants have omitted to state material facts necessary in order to make the statements made not misleading.

11.

Defendants raised at least \$50,000 from Idaho residents for investment in PMI promissory notes.

COUNT ONE: FAILURE TO REGISTER SECURITIES

12.

The allegations contained in paragraphs 1 through 11 are hereby realleged as if fully set forth.

13.

Beginning on a date uncertain, but at least since December 2000, Defendants offered for sale, either directly or indirectly, or aided and abetted in the offer, to Idaho residents, through advertisements and oral solicitations, securities in the form of promissory notes. A copy of Defendants' online investment solicitation is attached as Exhibit A.

14.

The securities offered by Defendants were not registered with the Department as required by Idaho Code § 30-1416.

15.

Defendants have violated Idaho Code § 30-1416.

**COUNT TWO: FAILURE TO REGISTER AS
BROKER-DEALERS OR SALESMEN**

16.

The allegations contained in paragraphs 1 through 15 are hereby realleged as if fully set forth.

17.

At no time pertinent to the period of time alleged herein have any of the Defendants been licensed by the Department of Finance as broker-dealers or salesmen to offer for sale securities as required by Idaho Code § 30-1406. Therefore, Defendants have either transacted business in this state as broker-dealers or salesmen without having been registered, or have acted as broker-dealers or issuers, and employed salesmen who were not registered under the Act.

18.

Defendants have violated Idaho Code § 30-1406.

**COUNT THREE: VIOLATIONS OF THE ANTI-FRAUD
PROVISIONS OF THE ACT**

19.

The allegations contained in paragraphs 1 through 18 are hereby realleged as if fully set forth.

20.

Defendants offered and sold securities to individuals in this state in violation of an antifraud provision of the Idaho Securities Act, Idaho Code § 30-1403(2), in that they omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading. The omissions of Defendants include, but are not limited to, the following:

- A. Failing to disclose to offerees and/or investors in PMI that in February 2000 the State of Idaho obtained an Order revoking Steven W. Keyes' Idaho insurance agent license on findings that, "Mr. Keyes is untrustworthy, and lacks good character, integrity and

financial responsibility. His actions are dishonest and resulted in a source of injury and loss to the public” (Hearing Officer’s Findings of Fact, Conclusions of Law and Preliminary Order, Docket No. 1765, Before the Director of the Department of Insurance, State of Idaho).

- B. Failing to disclose to offerees and/or investors that the PMI promissory notes offered were not registered in Idaho, as required by the Idaho Securities Act.
- C. Failing to disclose to offerees and/or investors that Defendants are not registered as broker-dealers or salesmen in Idaho, as is required by the Idaho Securities Act.
- D. Failing to disclose to offerees and/or investors PMI’s financial history.
- E. Failing to disclose to offerees and/or investors the risk factors associated with an investment in PMI promissory notes offered by Defendants.

21.

Defendants have violated Idaho Code § 30-1403(2).

**COUNT FOUR: VIOLATIONS OF THE ANTI-FRAUD
PROVISIONS OF THE ACT**

22.

The allegations contained in paragraphs 1 through 21 are hereby realleged as if fully set forth.

23.

In connection with the offer and sale of securities, Defendants engaged in acts, practices and course of business that operated as a deceit upon persons, in violation of Idaho Code

§ 30-1403(3). Defendants' acts, practices, and course of business which operated as a fraud or deceit include, but are not limited to, the following:

A. The pattern of omissions referred to in Count Three, above.

24.

Defendants have violated Idaho Code § 30-1403(3).

COUNT FIVE: OFFICER/DIRECTOR LIABILITY

25.

The allegations contained in paragraphs 1 through 24 are hereby realleged as if fully set forth.

26.

At all times relevant to this complaint, Defendant Richmond, while acting as director and President of PMI, participated in, or had actual or constructive knowledge of violations of the Idaho Securities as alleged in Counts One, Two, Three, and Four, above.

27.

Defendant Richmond is liable for sanctions pursuant to Idaho Code § 30-1442(4).

COUNT SIX: OFFICER/DIRECTOR LIABILITY

28.

The allegations contained in paragraphs 1 through 27 are hereby realleged as if fully set forth.

29.

At all times relevant to this complaint, Defendant Derro, while acting as director and Vice President of PMI, participated in, or had actual or constructive knowledge of, violations of the Idaho Securities as alleged in Counts One, Two, Three, and Four, above.

30.

Defendant Michael Derro is liable for sanctions pursuant to Idaho Code § 30-1442(4).

COUNT SEVEN: OFFICER/DIRECTOR LIABILITY

31.

The allegations contained in paragraphs 1 through 30 are hereby realleged as if fully set forth.

32.

At all times relevant to this complaint, Defendant Capps, while acting as vice president of investments for PMI, participated in, or had actual or constructive knowledge of, violations of the Idaho Securities Act as alleged in Counts One, Two, Three, and Four, above.

33.

Defendant Capps is liable for sanctions pursuant to Idaho Code § 30-1442(4).

PRAYER FOR RELIEF

Wherefore, Plaintiff prays for a Judgment in favor of Plaintiff and against Defendants as follows:

A. That Defendants be adjudged to have violated the Idaho Securities Act.

B. That Defendants be permanently enjoined from engaging in any acts, practices or omissions which would constitute violations of the Idaho Securities Act, Title 30, Chapter 14, Idaho Code, and in particular, that they be permanently enjoined from:

1. Selling or offering for sale nonexempt securities in any form in the state of Idaho until such time as the securities have been registered with the Idaho Department of Finance in accordance with Title 30, Chapter 14, Idaho Code;
2. Selling or offering for sale nonexempt securities in any form in the state of Idaho until such time as Defendants have registered as broker-dealers or salesmen for a broker-dealer or issuer with the Idaho Department of Finance, in accordance with Title 30, Chapter 14, Idaho Code;
3. While engaged in or in connection with the offer, sale or purchase of any security:
 - (a) Employing any device, scheme or artifice to defraud any investors in the securities;
 - (b) Making any untrue statement of a material fact or omitting to state a material fact necessary in order to make the statements made, in light of the circumstances under which they are made, not misleading;
 - (c) Engaging in any act, practice or course of business which operates or would operate as a fraud or deceit upon any person.
4. Aiding, abetting, counseling, inducing or causing any other person to engage in any of the types of conduct described in paragraphs 1, 2, or 3, above.

C. That Defendants be prohibited from claiming the availability of, using, or offering or selling securities, under any exemptions under the Idaho Securities Act without receiving the prior written consent of the Director.

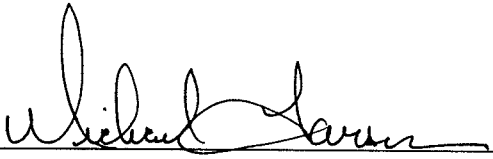
D. That Defendants be ordered to restore to each person in interest any consideration which may have been acquired or transferred in violation of the Idaho Securities Act.

E. That Defendants be ordered to pay a civil penalty to Plaintiff in an amount of \$10,000 for each violation of the Idaho Securities Act.

F. That Plaintiff be awarded attorney's fees and costs incurred in the preparation and the prosecution of this action, and if judgment is taken by default herein, that \$5,000 is a reasonable attorney's fee.

G. Such other and further relief as this Court may deem equitable and just.

Dated this 3rd day of May, 2001.


MICHAEL LARSEN
Deputy Attorney General
Department of Finance

VERIFICATION

STATE OF IDAHO)
) ss:
County of Ada)

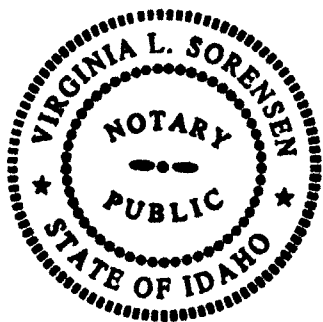
MARILYN T. CHASTAIN, Bureau Chief of the Securities Bureau of the Idaho Department of Finance, being first duly sworn, deposes and says:

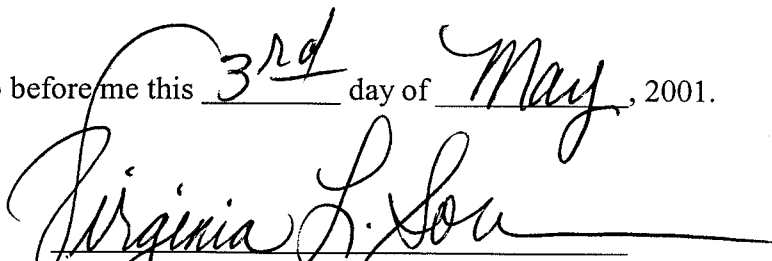
That she has read the foregoing verified complaint; that she knows the contents thereof, and that the same are true to the best of her knowledge.

DATED this 3rd day of May, 2001.


MARILYN T. CHASTAIN

SUBSCRIBED AND SWORN to before me this 3rd day of May, 2001.




NOTARY PUBLIC FOR IDAHO
Residing at: Caldwell
My Commission expires: 4/5/06

Premier Marketing & Investments Inc.

Q/A

Home

10 of the most frequent asked questions

Q/A

Potential

How To Get Started

Application

Contact Info.

**Join Now at 50%
for your money!
Limited Time
offer!
As of 12/01/2000
20% for your
money every 4
weeks!**

1. In Business

Q. How long have you been in business?

A. (PMI) Our parent organization has been up and running for over five years. However the bank institution we are dealing with has been in business for over thirty years.

2. Minimum

Q. What would the minimum loan amount required for this program?

A. \$1,000.00

3. Type of Trust

Q. What type of Trust is this?

A. This is a irrevocable Trust, assets are funds of PM & I.

4. 50% Why?

Q. Why are you able to pay 50% interest on my loan to your company?

A. Because of the type of projects that offshore banks offer, real estate projects, and resort markets, etc...

5. Withdrawal

Q. Will I be able to take money out of the Trust before six months?

A. Early withdrawal of interest after 42 days is permitted, and withdrawal of the principal amount is permitted after 6 months.

6. Checks

Q. Who issues the checks?, How much?, How often?

A. The interest will be issued by a US bank, every six weeks, and the amount will be 50% of the initial loan(s)

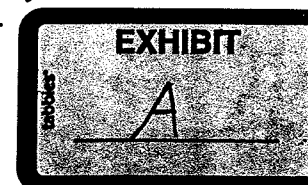
7. Documents

Q. What type of documentation will I receive after sending money?

A. You will receive a security agreement and a promissory note.

8. 25\$ fee

Q. Why is there a nonrefundable 25\$ processing fee?



A. \$25 processing fee is used to cover postage, administrative cost.

9. Payment

Q. What type of payment do you accept?

A. Payments by money orders, cashiers checks and bank transfers are acceptable,
and should be payable to Premiere Marketing & Investments Inc. (i.e. trust
account)

10. Payouts

Q. For my interest payments, what options will I have to receive my money?

A. Depending on what you had chosen, check, ACH (Direct Deposit) or to
a financial institution of your choice (car, mortgages payments,
etc....)

Premier Marketing & Investments Inc. 3580 Wilshire Blvd. Suite 1790 Los Angeles, Ca.
90010

Phone (800) 286-2121 **Fax** (213) 351-0986 **e-mail**
notes@PremierMarketingInvestments.com

Copyright © 2000 Premier Marketing & Investments Inc.

Premier Marketing & Investments Inc.

Potential

[Home](#)
[Q/A](#)
[Potential](#)
[How To Get Started](#)
[Application](#)
[Contact Info.](#)

You'll make your money grow with our program

The table below illustrates how your money will accumulate in a short period

At 50%

Initial Cost of Notes	Value after approx 6wks	Value after approx 12wks	Value after approx 18wks	Value after approx 24wks
\$1,000	\$1,500	\$2,000	\$2,500	\$3,000
\$5,000	\$7,500	\$10,000	\$12,500	\$15,000
\$15,000	\$22,500	\$30,000	\$37,500	\$45,000
\$20,000	\$30,000	\$40,000	\$50,000	\$60,000

At 20%

Initial Cost of Notes	Value after approx 4wks	Value after approx 8wks	Value after approx 12wks	Value after approx 16wks
\$1,000	\$1,200	\$1,400	\$1,600	\$1,800
\$5,000	\$6,000	\$7,000	\$8,000	\$9,000
\$15,000	\$18,000	\$21,000	\$24,000	\$27,000
\$20,000	\$24,000	\$28,000	\$32,000	\$36,000

**Join Now at 50%
for your money!
Limited Time
offer!
As of 12/01/2000
20% for your
money every 4
weeks!**

Premier Marketing's payout periods are to be scheduled every six weeks.
(Please allow 5-7 business days from your contract date, for processing.)

However, you have an option to choose when you would like your interest checks sent to you. (For example every 6,12,18, or even 24 weeks)

You can also accumulate up to 80% for your money in our 90 day program for anything over \$100,000.00. For more details, please call 800-286-2121

Initial Cost of Notes	After 90 days
\$100,000.00	\$180,000.00
\$500,000.00	\$900,000.00
\$1,000,000.00	\$1,800,000.00

Premier Marketing & Investments Inc. 3580 Wilshire Blvd. Suite 1790 Los Angeles, Ca.
90010

Phone (800) 286-2121 Fax (213) 351-0986 e-mail
notes@PremierMarketingInvestments.com
Copyright © 2000 Premier Marketing & Investments Inc.

Premier Marketing & Investments Inc.

How To Get Started

[Home](#)[Q/A](#)[Potential](#)[How To Get Started](#)[Application](#)[Contact Info.](#)

10 easy Steps

1. Once you have finished reading through the brochure or website, just fill out and fax or mail the application to Premier Marketing & Investments Inc., 3580 Wilshire Blvd. Suite 1790, Los Angeles, CA 90010, Fax: 213-351-0986.
2. PM&I will process your application immediately upon being received.
3. Once your application is processed, Premier Marketing & Investments will assign you an account number, will also send you some documents that would require you to fill out and sign.
4. **Documentation:** (2) copies of the *Promissory Note* (1 signed copy which needs to be sent to PM & I, you keep the other copy for your records.), (2) copies of the *Security Agreement* (1 signed copy which needs to be sent to PM & I, you keep the other copy for your records.), (1) Hard copy of the *Application*, (1) copy of the *Auto-Deposit Form* (for ACH, vehicle and mortgage payments). There will be a total of (6) documents. Please fill out all documentation as thoroughly and legibly as possible.
5. (ACH, vehicle and mortgage payments) Along with the Auto-deposit Form, please attach a voided check, or a copy of any payment coupon book for your vehicle or mortgage payments.
6. Once all your documents have been filled out, please double check to see if all information has been placed, and all documents have the necessary signatures. Please make copies of all your documents.
7. Along with your documents, two separate checks needs to be issued. The **amount desired** and the **\$25 non-refundable processing fee** needs to be issued to **Premier Marketing & Investments Inc.**
8. **Acceptable Payments:** PM&I accepts *cashiers checks, money orders*, as well as *bank transfers*. (*bank transfer information:* ABA # 091300036 ; Community First Fargo ; CFB Silverthorne. CO. ; Account # 0404556938, *bank fees may apply for transfers*) All payments should be issued to **Premier Marketing & Investments Inc.**

**Join Now at 50%
for your money!
Limited Time
offer!
As of 12/01/2000
20% for your
money every 4
weeks!**

9. **Check List:** (1) signed copy of the **Security Agreement**, (1) signed copy of the **Promissory Note**, (1) copy of signed and completed copy of the **Hard Copy Application**, and finally (1) copy of the **Auto-Deposit Form** (if applicable). When all your documents have been completed and signed, please send it by **Registered Mail** (USPO 3-day, Airborne, etc...) to:

Premier Marketing & Investments Inc.
3580 Wilshire Blvd., Suite 1790
Los Angeles, CA 90010

10. Once PM&I receives the required, signed documents and payments, you will receive a confirmation from one of our representatives. Such confirmation will be sent to you, via US mail and e-mail. (*Please allow 5-7 business days from your contract date, for processing*).

Premier Marketing & Investments Inc. 3580 Wilshire Blvd. Suite 1790 Los Angeles, Ca.
90010

Phone (800) 286-2121 Fax (213) 351-0986 e-mail
notes@PremierMarketingInvestments.com
Copyright © 2000 Premier Marketing & Investments Inc.

Premier Marketing & Investments Inc.

Application

Home

[FrontPage Save Results Component]

Q/A

Potential

How To Get Started

Application

Contact Info.

Join Now at 50%
for your money!
Limited Time
offer!
As of 12/01/2000
20% for your
money every 4
weeks!

Amount Desired

Annual Income (check one)

☐ Mr. ☐ Mrs. ☐ Ms. ☐ Less than 10,000 ☐ 25,000-50,000 ☐ 55,000-90,000 ☐ 100,000+

Name

Last

First

M

DOB

Address

City

State

Zip

Phone

Home

Work

Voicemail

Cell

E-mail

SS#

Vehicle of Interest Payments

☐ Check ☐ ACH (Direct Deposit) ☐ other financial Institutions

Desired Payments

☐ 6wks ☐ 12wks ☐ 18wks ☐ 24wks

(Print) Name

Signature

Date

PM & I Representative

Signature

Date

PM & I
Representative

Please fill out form and print
Send or fax to Premier Marketing & Investments Inc.

Premier Marketing & Investments Inc.

Contact Info.

Home

Q/A

Potential

How To Get Started

Application

Contact Info.

Premier Marketing & Investments Inc.

3580 Wilshire Blvd. Suite 1790 Los Angeles, CA 90010

Phone: (800) 286-2121 Fax: (213)351-0986

e-mail: notes@PremierMarketingInvestments.com

**Join Now at 50%
for your money!
Limited Time
offer!**

**As of 12/01/2000
20% for your
money every 4
weeks!**

Premier Marketing & Investments Inc. 3580 Wilshire Blvd. Suite 1790 Los Angeles, Ca.
90010

Phone (800) 286-2121 Fax (213) 351-0986 e-mail
notes@PremierMarketingInvestments.com

Copyright © 2000 Premier Marketing & Investments Inc.